IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY PETITION NO.488 OF 2006 WITH C.A.NO.759 OF 2006

PAE Ltd. ..Applicant Company.

Ms. Anjali Chandurkar with Mustafa Motiwale i/by M/s. PDS Legal for the Petitioner.

None present for the O.L. and the Regional Director.

CORAM : R.S. MOHITE, J.
DATED : 01/9/2006.

P.C.

1. This company petition is for approval of the reduction of share premium reserve account from Rs.1,461.08 lacs to the extent of loss and to effect such reduction by adjustment either full or in part on various extraordinary losses to be booked on the basis of accrual and identification of such losses before 31.3.2006 in terms of the special resolution by the Equity Shareholders at their Extra Ordinary General Meeting held on February 27, 2006. It is stated in the petition that such reduction of share capital will not cause any prejudice to the interest of the creditors of the company and the creditors of the company are not affected by the proposed share reduction of the share premium reserve account as there will be no reduction to any of the creditor. It is further stated that the

proposed reduction will not adversely affect the ordinary operations of the petitioner company or the ability of the petitioner company to honour its commitments or to pay its debts in the normal course of business. By an order dated 21.7.2006 in Company Application No.759/2006, wherein the statement was made that reduction of capital does not involve any diminution of any liability in respect of the unpaid share capital or payment to shareholders of any paid up share capital of the applicant company, the procedure prescribed under Section 101(2) of the Companies Act,1956 had been dispensed with.

2. No person has raised any objection for allowing this petition.

3. In the circumstances, I find no reason, as to why this petition should not be allowed. Thus, petition e stands allowed in terms of prayer clause (a) and (b).

(R.S.MOHITE, J.)